

UNITED STATES BANKRUPTCY
COURT EASTERN DISTRICT OF
MICHIGAN SOUTHERN DIVISION

IN RE:
Atlas Systems, Inc.

Case No: 23-43287
Chapter 11
Judge Maria L. Oxholm

Debtor.

**ORDER FOR INITIAL SCHEDULING CONFERENCE FOR SMALL BUSINESS
DEBTOR UNDER SUBCHAPTER V OF CHAPTER 11**

The Debtor filed this Chapter 11 case on April 10, 2023 and elected to have subchapter V of Chapter 11 apply. *See* Interim Rule 1020(a).¹ Accordingly, the Court enters this Order.

IT IS ORDERED that the Court will hold an initial scheduling conference on **Thursday, April 27, 2023 at 11:00 a.m.**, via telephone appearance.² The debtor and the attorney for the debtor must appear. The Trustee serving in this case, the United States Trustee, and creditors are invited, but not required to attend.

At this conference, the following matters will be addressed:

- (1) The appointment and fees of professionals.
- (2) The obligations of the debtor-in-possession under Chapter 11.
- (3) Case deadlines.
- (4) The issues in the case.
- (5) Whether and when motions or adversary proceedings might be filed.
- (6) Cash collateral matters.

¹ In this Order, the citation to “Interim Rule ___” is to one of rules in the “Interim Amendments to the Federal Rules of Bankruptcy Procedure” that were adopted by this Court in Administrative Order No. 2020-01, filed February 3, 2020. A copy of that administrative order and the Interim Rules may be found on this Court’s website.

² Parties should call (877) 336-1831 and use Access Code 6226995. Landline connections are much preferred, but cell phone or other telephone services are allowed. Counsel and parties should place their phone on mute and wait until their case is called before unmuting their phone and participating.

(7) A copy of a proposed “Order Establishing Deadlines and Procedures” is attached. The debtor’s attorney must be prepared to address whether this proposed order should be entered.

This conference is convened under 11 U.S.C. § 105(d).

The debtor’s attorney must immediately serve a copy of this Order, without attachment, on the 20 largest creditors, all secured creditors, and the United States Trustee’s Office. The debtor’s attorney must file a proof of service. The failure of the debtor to comply with terms of this Order may result in dismissal.

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PROPOSED ORDER ESTABLISHING GUIDELINES AND PROCEDURES FOR SMALL BUSINESS DEBTOR UNDER SUBCHAPTER V OF CHAPTER 11

After reviewing the schedules and statement of financial affairs and consulting with the debtor and the other parties who appeared at the initial status conference, the Court concludes that this case is appropriate for the procedures set forth in this order, and establishes the following deadlines, hearing dates and procedures. The purpose of this order is to expedite the debtor's reorganization and to secure "the just, speedy, and inexpensive determination of [this] case" Fed. R. Bankr. P. 1001.

1. Deadlines and Hearing Dates. The following deadlines and hearing dates are established:

- a. The deadline for the debtor to file motions under ¶ 4 below is **June 9, 2023**. This is also the deadline to file all unfiled overdue tax returns. The case will not be delayed due to unfiled tax returns.
- b. The Court will hold the status conference required under 11 U.S.C. § 1188(a) on **Tuesday, May 23, 2023, at 11:00 a.m.**, via telephonic appearance. The debtor, the attorney for the debtor, and the Trustee must appear at the status conference. The United States Trustee and creditors are invited, but not required to attend.
- c. No later than **May 9, 2023**, the debtor must file with the court, and serve on the Trustee and all parties in interest, the report required by 11 U.S.C. § 1188(c).
- d. Under 11 U.S.C. § 1189(b), the deadline for the debtor to file a plan and disclosure statement (see ¶ 2 below) is **July 10, 2023**³. Immediately after filing the plan and disclosure statement, the debtor must serve the plan, disclosure statement, a ballot as appropriate, and this Order on the Trustee, the United States Trustee, all creditors, all equity security holders, and all other parties who have requested service, and the debtor then must

³ Under 11 U.S.C. § 1181(b), 11 U.S.C. § 1125(b), and Fed. R. Bankr. P. 3016(b), a separate disclosure statement is required to be filed in conjunction with the plan of reorganization.

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promptly file proof of such service.

- e. The deadline to return ballots on the plan, as well as to file objections to confirmation of the plan, is **August 14, 2023**. Under Interim Rule 3017.2(d),¹ this is also the deadline for holders of claims and interests to accept or reject the plan. Under Interim Rule 3017.2(b), this is also the date on which an equity security holder or creditor whose claim is based on a security must be the holder of record of the security in order to be eligible to accept or reject the plan. The completed ballot form must be returned by mail to the debtor's attorney: **John J. Stockdale, Jr., 40950 Woodward, Suite 100, Bloomfield Hills, MI 48304**.
 - f. Under Interim Rule 3014, the Court fixes **August 14, 2023**, as the deadline for any creditor to make an election of application of 11 U.S.C. § 1111(b)(2).
 - g. No later than **August 21, 2023**, the Debtor must file a signed ballot summary indicating the ballot count under 11 U.S.C. § 1126(c) & (d). A copy of all ballots must be attached to this summary.
 - h. The hearing on confirmation of the plan will be held on **Thursday, August 24, 2023, at 11:00 a.m.**, in Room 1875, 211 W. Fort Street, Detroit, Michigan.
 - i. The deadline for all professionals to file final fee applications (see ¶ 5 below) is 30 days after the confirmation order is entered.
 - j. The deadline to file objections to this Order (see ¶ 6 below) is 21 days after this Order is entered.
 - k. The deadline for the debtor to file a motion to extend the deadline to file a plan (see ¶ 8 below) is **June 9, 2023**.
 - l. The deadline to file a motion to extend the time to file a motion to assume or reject a lease under 11 U.S.C. § 365(d)(4) is **July 10, 2023**. Counsel for the debtor must consult with the courtroom deputy to assure that such a motion is set for hearing before **August 7, 2023**.
 - m. These dates and deadlines are subject to change upon notice if the debtor files a plan before the deadline in paragraph d above.
- 2. The Plan.** The debtor must begin to negotiate the terms of a plan of reorganization as soon as practicable. By the deadline established in paragraph 1d, the debtor must file a plan of reorganization and disclosure statement. If the debtor fails to meet this deadline, the case may be dismissed or converted to chapter 7 under 11 U.S.C. §1112(b)(4).
- 3. The Confirmation Hearing.** Parties may file objections to confirmation of the plan by the

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deadline established in paragraph 1e above. Objections must be served on the attorney for the debtor, the Trustee, and the United States Trustee. A proof of such service must be filed with the objections. Objections which are not timely filed and served will be deemed waived.

4. **Expediting the Debtor's Reorganization.** If necessary to file a plan by the deadline established in this order, the debtor must file any motions or requests to value security pursuant to L.B.R. 9014-1 by the deadline established in paragraph 1a above.
5. **Fee Applications.** Unless the Court orders otherwise, each professional may file one and only one final fee application. Such applications must be filed under L.B.R. 2016-1 and L.B.R. 9014-1 by the deadline set forth in paragraph 1i, above.
6. **Deadline to File Objections to this Order.** Any objection to this order must be filed by the deadline set forth in paragraph 1j, above. Objections not timely filed are waived.
7. **Motions to Allow Administrative Expense.** Taxing authorities may file a request for payment of an administrative expense at any time under 11 U.S.C. § 503(a). Any request for an order allowing any such administrative expense, under 11 U.S.C. § 503(b), must be made under L.B.R. 9014-1.
8. **Motions to Extend the Deadline to File a Plan.** Any motion to extend the deadline to file a plan must be filed by the deadline in paragraph 1k. The motion must demonstrate by affidavit or otherwise that the deadline extension is needed, and that the need for the deadline extension is attributable to circumstances for which the debtor should not justly be held accountable. *See* 11 U.S.C. § 1189(b). The Court may schedule a hearing. Counsel for the debtor must serve the motion and any notice of the hearing on the Trustee, the United States Trustee, all secured creditors, and the 20 largest unsecured creditors, and must file a proof of service.

Signed on April 11, 2023



/s/ Maria L. Oxholm

Maria L. Oxholm
United States Bankruptcy Judge